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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## MEMORANDUM

**TO: ALL SCHOOL SUPERINTENDENTS**

**FROM: BUDGET DIVISION, DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

**SUBJECT: CAPITAL PROJECTS FUND**

**DATE: JUNE 2004**

**\*The following memorandum replaces the June 2003 capital projects fund memorandum.**

The purpose of this bulletin is to outline the policy and procedures of the Department of Local Government Finance (DLGF) regarding School Capital Projects Funds (CPF). It is also suggested that you become familiar with IC 21-2-15 and 50 IAC 9.

A school corporation must annually prepare a three-year CPF Plan, conduct a public hearing, publish notice of adoption, and allow taxpayers the opportunity to file petitions objecting to the CPF Plan. The Plan is incorporated into the annual budget for the CPF. **The maximum tax rate of the CPF is limited to the lesser of \$.4167 per \$100 of Assessed Valuation adjusted for the effects of the general reassessment or that necessary to fund the Plan, subject to the applicable budget laws.**

Recent legislation allows for a higher capital projects fund rate to compensate for reduced levy through the inventory deduction and interstate commerce exemption as well as additional expenditures for insurance and utilities payable out of the capital projects fund. School corporations must advertise and adopt a capital projects fund rate and plan high enough to support the increased levy.

The formula used to calculate the CPF rate cap for each school corporation is provided later in this memorandum. The rate cap calculated will be in effect until the next general reassessment when an identical calculation will be performed. The tax rate will fluctuate from year to year, as the needs of the corporation change. In the current year, the corporation may change the annual plan that was adopted by:

1. making transfers within building locations
2. applying to the DLGF for emergency amendments
3. pursuing non-emergency amendments under limited circumstances
4. approving additional appropriations-moving future allocations into current year.

## **Transfers**

School corporations can, after June 30, 2003 and before July 1, 2005, budget for and pay costs attributable to transportation (as defined in IC 21-2-11.5-2) from the general fund. During the period beginning July 1, 2003 and ending June 30, 2005, a school corporation may transfer money in a fund maintained by the school corporation that is obtained from:

- A source other than a state distribution or local property taxation, or
- A state distribution or a property tax levy that is required to be deposited into the fund.

A school may not transfer from the special education pre-school fund or the bus replacement fund. A transfer from a state distribution or a property tax levy may not be reduced based on the money transferred to or from such fund.

Money transferred may only be used to pay costs, including debt service, attributable to reductions in funding for transportation distributions under IC 21-3-3.1, including reimbursements associated with transportation costs for special education, vocational education and ADA flat grants.

The total amount transferred may not exceed:

For the period beginning July 1, 2003, and ending June 30, 2004, the total amount of state funding received for transportation distributions, including reimbursements associated with transportation costs for special education and vocational programs and ADA flat grants for the same period.

For the period July 1, 2004 and ending June 30, 2005, the product of the amount determined for the period of July 1, 2003 and ending June 30, 2004 multiplied by 2.

The Department of Local Government Finance has information that indicates the maximum amount that may be transferred for this purpose.

## **Utility and Insurance Costs**

A school corporation may, during the period beginning January 1, 2004 and ending December 31, 2005, pay up to 100% of the following costs from the capital projects fund:

Utility services, property or casualty insurance or both.

In the 2005 calendar year, the amount may not exceed two percent (2%) of the school corporation's 2003 calendar year distribution.

The amount by which a school corporation's expenditures in the 2004 calendar year may exceed one percent (1%) of the school corporation's 2003 calendar year distribution is the least of the following:

- 1) One percent of the school corporation's 2003 calendar year distribution;
- 2) The greater of zero or the difference between:
  - (A) The sum of:

- (i) the school corporation's calendar year distribution;
  - (ii) the amount determined for the school corporation under the previous paragraph;
  - (iii) the amount determined for the school corporation under this paragraph, if any; for the immediately preceding calendar year; minus
  - (B) the school corporations calendar year distribution for the calendar year.
- 3) The difference between:
- (A) one hundred percent of the school corporation's costs for utility services and property or casualty insurance; minus
  - (B) the amount determined for the school corporation under this paragraph for the calendar year.

For 2005, the formula uses two percent in step 1.

Calendar year distribution defined, "the sum of:

- (1) all distributions to a school corporation under:
  - (A) IC 6-1.1-19-1.5;
  - (B) IC21-1-30;
  - (C) IC 21-3-1.7;
  - (D) IC 21-3-2.1; and
  - (E) IC 21-3-12

For the calendar year; plus

- (2) plus the school corporation's excise tax revenue (as defined in IC 21-3-1.7-2) for the immediately preceding calendar year."

IC 21-2-15-4 outlines this provision. A school corporation may amend its plan to include expenditures for utility services, property or casualty insurance or both. The amendment is subject to any notice and hearing requirements.

For a school corporation that includes utility services, property or casualty insurance costs in its capital projects fund plan, the school corporation may impose a property tax rate that exceeds the maximum capital projects fund rate by determining the amount attributable to utilities, property or casualty insurance costs payable for the capital projects fund plan and dividing the amount by the school corporation's assessed value and multiplying by 100 to arrive at a rate.

Appropriations for this purpose should be classified as account number 25420 Utility services and 25470 Property and casualty insurance.

**The Basic Grant Worksheet has a section titled, "Calculation of Allowable Expenditures from the 2005 CPF for Utility Services and Property and Casualty Insurance." This section provides school corporation's with the maximum amount that may be appropriated in the capital projects fund plan for utilities, property and casualty insurance.**

## **Inventory Deduction or Interstate Commerce Exemption**

The Department of Local Government Finance will adjust maximum cumulative fund rates, school capital project fund rates, and racial balance fund rates to permit the maintenance of fund levies after the application of the inventory deduction or interstate commerce exemption. School corporations must advertise and adopt a capital projects fund rate and levy that is sufficient to cover the additional rate needed to offset for the inventory exemptions/deductions. (IC 6-1.1-18.5-9.9)

The Department of Local Government Finance will adjust the 2005 school capital projects fund rate for all counties that have adopted the inventory deduction with implementation in 2004 pay 2005. If a county chooses to adopt the inventory deduction at a later date, the Department will make a second adjustment to the capital projects fund tax rate for the assessed value of property qualifying for the inventory deduction. **The fiscal body must advertise and adopt a rate and levy that is sufficient to increase the capital projects fund rate for the inventory deduction or interstate commerce exemption and the appropriations associated with utilities and/or insurance. The capital projects fund plan must also support the need for the additional funds.**

### **I. PERMITTED USES OF THE CAPITAL PROJECTS FUND PLAN:** (50 IAC 9-1-4)

The Capital Projects Fund may be used for the following purposes:

- (1) **Land Acquisition and Development:** acquisition and development of sites for school purposes.
- (2) **Fees for Professional Services:** Fees paid to architects, engineers, attorneys, project managers, and fiscal consultants for land acquisition, site development, and building improvements. Also expenses for nonrecurring in-service technology training.
- (3) **Education Specifications Development:** Feasibility studies and educational specifications for building design for use by architects and others.
- (4) **Building Acquisition, Construction, and Improvement:**
  - A. purchase and construction of buildings;
  - B. improvements or alterations to existing buildings;
  - C. installation or extension of service systems for new or existing buildings;
  - D. building sites for use by the school corporation
  - E. the purchase of building materials for vocational building and trade classes;
  - F. the payments for the qualifying portion of Guaranteed Energy Savings Contracts under IC 36-1-12.5 may be paid from this account
  - G. Under certain circumstances, the payment of salaries and benefits for skilled craft employees
- (5) **Rental of Buildings and Equipment:** rental or lease payments for new or existing real property, computers, or equipment, excluding payments to holding corporations as authorized under I.C. 21-5-11

and I.C. 21-5-12. The payments for the qualifying portion of Guaranteed Energy Savings contracts under I.C. 36-1-12.5 may be paid from this account.

- (6) **Purchase of Mobile or Fixed Equipment:** to purchase, lease, upgrade, maintain, or repair one or more of the following: computer hardware, computer software, wiring and computer networks, communication access systems used to connect with computer networks or electronic gateways. Educational technology may only be purchased if a three-year (3) year technology plan has been developed.
- (7) **Emergency Allocation:** repair, replacement, or site acquisition that is necessitated by an emergency.
- (8) **Utility Services:** one hundred percent (100%) of costs attributable to utilities during the period beginning January 1, 2004 and ending December 31, 2005.
- (9) **Maintenance of Equipment:** care, upkeep, or maintenance of equipment owned or used by the school corporation, including salaries of full or part-time computer repair personnel.
- (10) **For the construction, repair, replacement, remodeling or maintenance of a school sports facility.** However, a school corporation's expenditures in a calendar year under this amended law may not exceed five percent (5%) of the property tax revenues levied for the fund in the calendar year.
- (11) **Property or casualty insurance:** one hundred percent (100%) of costs attributable to property or casualty insurance during the period beginning January 1, 2004 and ending December 31, 2005.
- (12) **Other Staff Services:** benefits for employee salaries paid from other accounts within the capital projects plan, i.e. computer repair personnel and skilled craft employees.
- (13) **Technology-** funding the acquisition of any equipment or services necessary to implement technology under IC 20-10.1-5-6 or to participate in a program to provide educational technologies under IC 20-10.1-25 or to obtain any combination of equipment or services described in IC 20-10.1-25.
- (14) **Allocation for Future Projects:** accumulation of funds for projects that the school corporation has articulated with reasonable specificity within the plan, including size, purpose, features, estimated cost in constant dollars, and site or possible sites.
- (15) **Funds transferred for a Repair and Replacement Fund.**
- (16) **Interest transferred to the General Fund.**

**II. FORMAT OF THE CAPITAL PROJECTS FUND PLAN: (50 IAC 9-1-6)**

The CPF plan must be prepared annually using the following format.

**1. General Description of School Corporation**

- A. Total land area
- B. Location
- C. Composition of governing body
- D. Number of employees
- E. Current annual operating budgets for each of your tax supported funds (general, debt service, transportation, bus replacement, special education/preschool, capital projects funds, etc.)
- F. Current annual property tax levies for all funds.

**2. List of present facilities operated and maintained by the School Corporation**

- A. With respect to each facility:
  - (1) Name and location
  - (2) Grades housed or other use.
  - (3) Year constructed
  - (4) Estimated current value
  - (5) Detailed evaluation of condition.
- B. Identification and description of all land owned for future needs.

**3. Student Enrollment**

- A. Five-year history of student enrollments by facility, including the current school year.
- B. Projected student enrollment of the School Corporation for each of the ensuing five years.

**4. Proposed Use of the Capital Projects Fund**

For each location, list the proposed expenditures from the fund for all specific uses within the following classifications for all three years:

- (1) Land Acquisition and Development
- (2) Professional Services
- (3) Education Specifications Development
- (4) Building Acquisition, Construction, and Improvement
- (5) Rental of Buildings and Equipment
- (6) Purchase of Mobile or Fixed Equipment
- (7) Emergency allocation
- (8) Utility services
- (9) Maintenance of Equipment
- (10) School Sports Facilities
- (11) Property or casualty insurance
- (12) Other Staff Services
- (13) Technology
- (14) Allocation for Future Projects

5. **Anticipated Capital Projects Fund resources that will be available for the Term of the proposed plan**

For each year of the plan include the following: (CPF Plan Summary Page)

- (1) Sources and amounts of anticipated income.
- (2) Amount of revenue to be retained for expenditures proposed for a future year.  
(Allocation for Future Projects - should also include unappropriated cash from previous years' Future Projects allocations.)
- (3) Projected assessed valuation of the School Corporation for each year of the plan.
- (4) Property tax rates and levies for the Capital Projects Fund based on the above assessed valuations.

**III. DEFINITIONS FOR THE CAPITAL PROJECTS FUND:** (50 IAC 9-1-2, 9-1-3)

1. REPAIR means the restoration of a piece of equipment, a building, or land to its original condition of completeness from worn, damaged, or deteriorated condition.
2. EQUIPMENT means a mobile or fixed unit of furniture or furnishings, an instrument or a set of articles meeting the following conditions:
  - (a) It retains the original shape and appearance with use.
  - (b) It is non-expendable, which means that if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair than replace it with an entirely new unit.
  - (c) It represents an investment of money that makes it feasible and advisable to capitalize the item.
  - (d) It does not lose its identity through incorporation into a different or more complex unit or substance.
  - (e) It will be used by a Vocational Building Trade Class to construct new buildings or remodel existing buildings.
3. MUSICAL INSTRUMENTS may be purchased from CPF if the instrument is not typically transported between home and school and are not used primarily for extracurricular activities.
4. SKILLED CRAFT EMPLOYEES are corporation employees that are bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removers, painters, paperhangers, drywall applicators, and tapers, plasterers, pipe fitters, roofers, installers, welders, carpenters, electricians, or plumbers, as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991 if they perform constructions of, renovation of, repair of, or maintenance on the facilities or equipment of the school corporation.

Only employees listed above may be included in the CPF plan. Custodians, janitors, ground crew employees, and personnel who perform duties normally provided in the daily operation of the facilities or equipment do not meet the definition of a skilled craft employee.

5. NON-RECURRING, INSERVICE TECHNOLOGY TRAINING is training provided to employees of a school corporation to allow them to properly utilize technology (computer hardware and software). This training does not include the ongoing training that is provided to your employees by a permanent member of your staff.

#### IV. ALLOCATION FOR FUTURE PROJECTS:

The Allocation for Future Projects (AFP) allows the corporation to levy property taxes for expenditures planned for a future year.

**50 IAC 9-1-4 describes the standard for the AFP as:**

The accumulation of funds for projects that the School Corporation has articulated with reasonable specificity within the plan, including size, purpose, estimated cost, in constant dollars, and sites or possible sites.

**The DLGF cannot assure you of property tax funding for an allocation for future projects that does not meet this minimum standard.**

#### V. COMPLETING THE CAPITAL PROJECTS FUND SUMMARY PAGE:

The purpose of the CPF Summary Page is to summarize the expenditures, allocations, transfers, and revenues for your CPF Plan. The general format is the same as the public notices for the CPF Plan.

"CURRENT EXPENDITURES" is a summary of the planned expenditures noted in each major classification in your CPF Plan for each year of the plan for all locations.

"SUBTOTAL CURRENT EXPENDITURES" is the amount of expenditures that you plan to make in a given year, which require appropriation. **This should agree with line 1 of the sixteen-line statement on Form 3.**

"ALLOCATION FOR FUTURE PROJECTS" (AFP) is the amount of funds that you intend to accumulate or continue accumulating for projects to be expended in the second, third, or future year of the CPF Plan. Any AFP(s) should be clearly noted on the appropriate location page(s) in your CPF Plan. If you plan to expend the AFP in the second or third years, this will increase the current expenditures and decrease the AFP. If you do not intend to spend the AFP in the second or third year, the AFP for those years should show the total that you expect will be accumulated at the end of that year. The AFP budgeted in the third year should include the amount accumulated in years one and two, plus what will be accumulated during year three. The summary page of the AFP should be a cumulative summation of the AFP from each location. **Allocation for future projects is shown on Line 11 of the sixteen-line statement.**

**Example: Your intent is to raise \$450,000 at \$150,000 per year. AFP should be Yr. 1=\$150,000 Year 2=\$300,000 Year 3=\$450,000 total should be cumulative.**



"TRANSFER TO A REPAIR AND REPLACEMENT FUND" If your school corporation has a properly established Repair and Replacement Fund with approval of the DLGF, include the anticipated amount of funds to be transferred in this line. See Section XV for further explanation.

"INTEREST TRANSFER TO THE GENERAL FUND" If your school corporation has properly established a transfer to the general fund, include the anticipated amount of funds to be transferred in this line. Hint: If interest is directly deposited to your General Fund this line is not required. See Section XVI for further explanation.

"SOURCES AND ESTIMATES OF REVENUE" The following should be included as sources of revenue to support the expenses listed in the plan:

**Projected Cash Balance, January 1<sup>st</sup>:** For the first year of your CPF Plan, the projected January 1 cash balance will equal the estimated year end cash balance, less the estimated year end balance of appropriations. For the second and third years of the plan, assume that funded appropriations carried forward from the previous year have been exhausted. Under normal circumstances, the projected January 1 cash balance for the second and third years of the CPF Plan will be the prior year's AFP plus any known additional revenue, such as reimbursement by a holding corporation for architect fees, sale of property, etc.

**Estimated Excise Tax CVET and FIT Receipts:** are estimates of revenue prepared in the same manner as your annual budget for other funds.

**Other Revenue:** will include interest income if deposited in CPF, reimbursements for architect fees from a holding corporation, proceeds from the sale of buildings remodeled or constructed by a Vocational Trades Class, sale of property, etc.

**Property Taxes Required to Fund the Plan:** The difference between the total needs identified (Total Expenditures, Allocations, Transfers) and the revenues available (Estimated Cash Balance, Excise Tax, CVET, FIT Revenue, and Other Revenue.)

**Note: Revenues must equal expenditures.**

## **VI. PROCEDURE FOR ESTABLISHING A CAPITAL PROJECTS FUND PLAN:** (50 IAC 9-1-5)

This general outline explains the steps necessary to establish a CPF plan:

1. Each school corporation annually proposes a CPF plan for a minimum of 3 years.
2. The school corporation must conduct a public hearing on the proposed plan between **January 1<sup>st</sup> and September 20** of the year prior to collection of a CPF property tax levy. The Notice to Taxpayers has been incorporated into school Budget Form 3, if you want to hold the hearing with your annual budget hearing.

**NOTE:** School officials must publish notice of the plan two (2) times, at least one (1) week apart with the second publication at least three (3) days before the date of the hearing. (See I.C. 5-3-1-2-(f). If two newspapers do not exist in your school district, refer to I.C. 5-3-1-4(e) or the Board of Account's "Guide for Legal Publications" for the proper procedure.

After considering the testimony at the hearing, the school board may adopt the CPF Plan as proposed or with revisions.

3. The adopted plan should be prepared using the format prescribed in 50 IAC 9. The Corporation should publish a Notice of Adoption as soon as possible after adoption but no later than twenty (20) days after the County Auditor publishes the following year proposed tax rates, as approved by the county. A sample Notice of Adoption is included with this bulletin.

The Notice of Adoption reflects new project information and information on projects that have already been subject to taxpayer remonstrance. These “older” projects are ongoing and included in the portion of the Notice labeled “To Be Published in Years After the First Year.”

4. Within ten days after the Notice of Adoption has expired for taxpayers to object to your CPF Plan, provide the Auditor with a proof of publication of your Notice of Adoption and request a certificate that no objecting petitions were filed. A copy will be requested at your annual budget hearing. **Note: Cross county schools must submit a certificate of no objection from the Auditor of each of the counties in which the cross-county school extends.**

**\*Schools should also submit a signed adoption resolution for the capital projects fund plan. Meeting minutes do not suffice for the appropriate resolution.**

5. The first year a project is proposed, a minimum of ten (10) taxpayers affected by the adopted CPF Plan may file a petition with the Auditor setting forth their objections. After the first year a project is proposed, ten (10) or more taxpayers who will be affected by the adopted plan may file a petition with the County Auditor of a county in which the school corporation is located not later than ten (10) days after the publication, setting forth their objections to any item in the proposed plan that does not concern a construction project that had previously been included in an adopted capital projects fund plan.
6. The Auditor will compare the signatures on the petition with the county tax rolls (duplicate) and certify the number of valid petitioners to the DLGF.
7. The DLGF will fix a date for a hearing in your school district within a reasonable amount of time. Notice of the hearing will be provided at least five (5) days in advance. Taxpayers will be able to present written or oral testimony at the hearing. The hearing officers will prepare a recommendation for approval, disapproval or modification of the adopted CPF Plan.

8. The DLGF may seek the recommendation of the School Property Tax Control Board (SPTCB). You will be notified of the date and time of its meeting in Indianapolis. The SPTCB will consider the plan and forward its recommendation to the DLGF.
9. The DLGF will certify its approval, disapproval or modification of the CPF plan to the Auditor and the School Corporation.

## **VII. THE CAPITAL PROJECTS FUND BUDGET:**

Expenditures from the CPF require appropriation. The tax rate, levy and budget of the Capital Projects Fund should be advertised along with other fund budgets subject to approval under I.C. 6-1.1-17. As much as possible, appropriations from the Capital Projects Fund Plan should be made through the annual budget process. The account classifications on school Budget Form 1 translate from the totals shown on your CPF Summary page as follows:

#25320	(1) Land Acquisition and Development:
#25330	(2) Professional Services
#25340	(3) Education Specifications Development:
#25350	(4) Building Acquisition, Construction, and Improvement:
#25360	(5) Rental of Buildings and Equipment:
#25380	(6) Purchase of Mobile or Fixed Equipment:
#25390	(7) Emergency Allocation (repair, replacement, or site acquisition that is necessitated by an emergency).
#25420	(8) Utility services
#25440	(9) Maintenance of Equipment
#25355	(10) Sports Facility
#25470	(11) Property and casualty insurance
#26490	(12) Other Staff Services
#26710	(13) Technology

Account numbers are also included on Budget Form 1 for repayment of emergency loans, should that be required by an emergency loan granted as part of emergency financial relief.

For purposes of school Budget Form 3, show the Subtotal Current Expenditures for the first year of the CPF Plan in line 1. The Allocation For Future projects should be included in line 11 of Budget Form3 but should not be appropriated, because its expenditure is planned for a future year, as documented in the plan. Include any transfer to an established Repair and Replacement Fund or interest income transfer to the General Fund in line 11 of Budget Form 3, as an appropriation in the CPF is not required.

For budget purposes, the revenue projections used in your CPF Plan may be revised when incorporated into school budget form 2. Always use the most accurate assessed value, projected cash available, or revenue estimates when proceeding through the steps necessary to obtain full approval of your CPF.

At your budget hearing, the hearing officer will need a copy of your CPF Plan, including proofs of publication of the Notice to Taxpayers of Hearing, Notice of Adoption, a signed CPF resolution, and a copy of the Auditor's certificate that no objecting petitions were filed. They will review the plan to insure that it was properly advertised and adopted, the prescribed classifications and format were used, and that the Allocation for Future Projects was properly identified.

During the current year, after your annual budget had been approved, additional appropriations should only be necessary to correct budgeting errors, appropriation in a year earlier than planned, and to appropriate the proceeds from an amendment.

#### **VIII. NONREVERTING APPROPRIATIONS:** (IC 5-1-2-1)

Appropriations from the Capital Projects Fund DO NOT expire at the end of the year, but continue until the project is accomplished or abandoned. To have an appropriation continue from a previous year, it must be identified specifically with an ongoing project. **Because an emergency allocation is not identified with a specific project, unused emergency allocations do not carry forward at the end of the year.** For audit purposes, it is advisable to have your school board take official action concerning which projects are being continued, and which projects are being abandoned. A list of projects carried forward from a year other than the current budget year should be available at the time of the School Corporation's budget hearing with DLGF personnel.

#### **VIX. CAPITAL PROJECTS PLANNED BY LOCATION:**

The CPF Plan should be prepared with planned expenditures shown for each location used by a corporation. Few expenditures cannot be described on a location basis. We suggest that you limit these to the Emergency Allocation and feasibility studies. Your CPF Plan will not comply with 50-IAC 9-1-6(5)(A) unless projects are planned by year and location.

#### **X. EMERGENCY ALLOCATION**

The Emergency Allocation may only be expended in response to an emergency. It may not be used to fund cost overruns or as a vehicle to amend the CPF Plan. Other sections in this bulletin describe CPF Plan amendments. For purposes of I.C. 21-2-15-1 and 50 IAC 9, "emergency" is defined as follows:

1. When used with respect to repair and replacement, a fire, flood, windstorm, mechanical failure of any part of a structure, or other unforeseen circumstances.
2. When used in respect to site acquisition, the unforeseen availability of real property for purchase.

The Emergency Allocation should be proposed on a corporation wide basis and expended as needed. It is included in the annual CPF budget. After becoming a part of your approved annual budget, expenditures from the Emergency Allocation may be made without further approval from the DLGF. When you prepare

your CPF Plan, don't indicate the use of the Emergency Allocation. If a specific purpose is known, provide for that use in the proper category of the CPF Plan.

#### **XI. EMERGENCY AMENDMENT OF THE CURRENT YEAR CPF PLAN:** (50 IAC 9-1-11)

If the Emergency Allocation is exhausted, and an emergency occurs, the corporation may contact the DLGF for permission to amend its CPF Plan. The procedure for obtaining approval of an emergency amendment is as follows:

1. Contact the DLGF in writing, by telephone, or in person for a determination that an emergency has occurred within five working days of the occurrence of an emergency. Be prepared to indicate how you plan to amend the CPF plan.
2. The amendment may require the payment of eligible emergency costs from funds accumulated in the plan for other purposes, inter-fund loans, or funds borrowed from a financial institution. The amendment may require an increase in the following years' CPF property tax rate to repay the loan. (This may not cause the tax rate to exceed the \$.4167 limit or factored rate.)
3. An order will be issued by the DLGF within five (5) working days of your application. If favorable, the school will adopt a resolution increasing the Emergency Allocation and amending the current year's CPF Plan.
4. A certified copy of the governing body's resolution should be forwarded to the DLGF, who may modify it within a reasonable amount of time. A follow up order will not be issued.
5. Approval of an emergency amendment does not waive compliance with the laws governing appropriation or borrowing of funds.

#### **XII. APPROPRIATION IN A YEAR EARLIER THAN PLANNED:** (50 IAC 9-1-8)

An opportunity also exists to convert the Allocation for Future Projects into a current appropriation during the budget year of the plan. 50 IAC 9-1-8 allows a school corporation to appropriate funds for projects in a year earlier than planned. The following conditions apply:

1. The plan must be SPECIFIC as to the need to be addressed and the manner in which it will be addressed;
2. The School Corporation must proceed with an additional appropriation. The Notice to Taxpayers must state the fund name, a description of the project, and the project cost. This action will result in the appropriation of the Allocation for Future Projects.

### **XIII. TRANSFERS WITHIN A LOCATION:** (50 IAC 9-1-13)

A School Corporation may expend money under a different classification than designated in their CPF Plan as long as the expenditure is made in the same location and funds are available in another classification in that same location. The transfer shall be made by the school board in a regular public meeting. The transfer does not require the approval of the DLGF. You must notify your Auditor and the DLGF of the transfer.

### **XIV. NON-EMERGENCY AMENDMENTS TO THE CPF PLAN:** (50 IAC 9-1-12)

**A School Corporation may amend its plan to provide initial or supplemental money for:**

- Land Acquisition and Development
- Professional Services:
- Education Specifications Development:
- Building Acquisition, Construction, and Improvement:
- Purchase of Mobile or Fixed Equipment
- Emergency Allocations
- Utility services
- Property or casualty insurance

The amendment may be made in the current year on a multi-location basis without a determination of an emergency by the DLGF.

The governing body must conduct a public hearing on the proposed amendment to their current year's CPF Plan. Publish a Notice of Hearing on Amendment (sample enclosed) following the requirements for the Notice of Taxpayers described earlier. At this hearing, the school board must declare the nature of and the need for the amendment in its resolution.

The corporation should publish a Notice of Amendment (sample enclosed) to the CPF Plan following the same requirements described for a Notice of Adoption earlier. **The Department of Local Government Finance will not accept any Notice of Amendments that are filed after the 20<sup>th</sup> day of the Auditor's publication of the proposed tax rates for the following year, as set by the county (normally October or November).**

Ten (10) or more affected taxpayers may file a petition with the Auditor setting forth their objections to the amendment. If a petition is filed, the DLGF will conduct a hearing using the procedure previously described.

If an objecting petition is not filed, the corporation should submit the following items to the DLGF:

- a. Proof of Publication of the Notice of Hearing.
- b. The school board's resolution and meeting minutes.
- c. Proof of Publication of the Notice of Amendment.
- d. Auditor's certificate that no objecting petitions were filed.
- e. A copy of the CPF Plan, as amended.

If your amendment utilizes unappropriated funds you will also want to proceed with an additional appropriation. Be sure to publish notice for each issue separately and adopt separate resolutions. The DLGF will review your transcript and issue its order to approve, disapprove, or modify the amendment.

**The following classifications may not have additional funds provided to them in a non-emergency amendment:**

- Rental of Buildings and Equipment
- Purchase of Mobile or Fixed Equipment
- Maintenance of Equipment
- School Sports Facility
- Other Staff Services
- Technology

**XV. REPAIR AND REPLACEMENT FUNDS: (I.C. 21-2-5.5)**

A school corporation may establish, with the Department of Local Government Finance's approval, a Repair and Replacement Fund with funding from the General or Capital Projects Funds. If you choose to fund Repair and Replacement Fund from your CPF, include the amount to be transferred from the CPF in Line 11, the operating balance, of the School Budget Form 3. Also be sure to clearly note this transfer in the CPF Plan Summary as a separate item in your plan (see Section V of these instructions) and in the appropriate publications.

The Emergency Allocation of the CPF may be used for the repair and replacement of buildings or building fixtures that constitute loss capable of being covered by casualty insurance, similar to the opportunities available from the establishment of a Repair and Replacement Fund.

**XVI. INTEREST TRANSFER TO THE GENERAL FUND:**

To budget these transfers, include them as a separate line item in your CPF plan, after the subtotal for current expenses. On the 16 Line Budget Statement (Budget Form 3), include this amount in Line 11 on the CPF. Remember to also include this transfer as income to the General Fund on your Estimate of Miscellaneous Revenue (Budget Form 2).

**XVII. SKILLED CRAFT EMPLOYEES:**

A school corporation may use the CPF to pay for the salaries of school corporation employees if they perform construction of, renovation of, repair of, or maintenance on the facilities or equipment of the School Corporation and if:

1. the employee's job description is one of the following: bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removers, painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers, installers, welders carpenters, electricians, or plumbers, as these occupations are defined in the United States Department of

Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991 if:

- a. they perform constructions of, renovation of, repair of, or maintenance on the facilities or equipment of the school corporation; and
  - b. the School Corporation's total annual salary and benefits cost for these employees is at least \$600,000; and
  - c. the payment of the employees described in this section is included as part of the proposed Capital Projects Plan.
2. However, the number of employees included does not exceed the number of such employees that existed on January 1, 1993.

The decision to include an employee in this section would depend on the employee's job title and job description as defined in the reference guide named above. A list of such employees that existed on January 1, 1993, and details of the expected costs of salaries and benefits for the coming year must be submitted to the Department of Local Government Finance at the annual budget hearing. Custodians, janitors, ground crew employees, and personnel who perform services normally provided in the daily operation of the facilities or equipment do not meet the definition of a skilled craft person.

The payment for the salaries and benefits for skilled craft employees may be included in line item four (4) Building Acquisition, Construction, and Improvement based on the restrictions now in the statute.

Benefits can be included in the CPF plan under category (10) Other Staff Services. Traditional benefits such as Social Security, Health Insurance, Life Insurance, Dental and Vision Insurance, Retirement Benefits, and Workman's Compensation Insurance may be charged to CPF. Vehicles provided to employees cannot be included in the calculation of the benefit costs.

#### **XVIII. GUARANTEED ENERGY SAVINGS CONTRACTS:** (I.C. 36-1-12.5)

Procedures are in place to provide a means for schools to make school facility alterations that are designed to reduce energy consumption costs or other operating costs. In the case of guaranteed energy savings contracts, savings are guaranteed from the energy conservation measures to cover the cost of the payments for the measures. The qualified provider will reimburse the School Corporation for the difference between the guaranteed savings and the actual savings if this does not happen.

Payments for guaranteed energy savings contracts might be paid from the Capital Projects Fund to the extent that actual energy and operational savings are documented from the CPF. Energy cost savings that are realized in the General Fund, should be paid from the General Fund.

Since these contracts may extend for the lesser of ten (10) years or the average life of the conservation measures installed, there has been concern about using CPF funds to make these payments. School corporations who document CPF savings and make these payments must realize that CPF funds may not be available in a future year because of an advertising error, a taxpayer objection, or legislative changes. If the



CPF is not available, the total payment for the energy savings contract would then be forced into the School Corporation's General Fund.

These payments should be budgeted under line (4) Building Acquisition, Construction and Improvement.

**XIX. NONRECURRING, INSERVICE TECHNOLOGY TRAINING: (I.C.21-2-15-4 (D)(3))**

The payment of nonrecurring in-service technology training for school employees is an allowable expense from the CPF. This would include payments to a trainer (if you brought the training to your location), the travel expenses of the trainer, and the registration fees and travel expenses for school corporation employees to attend training at another location. The employment of a permanent employee of the School Corporation and the salary costs of substitute teachers who would replace teachers who are being trained *are not* permissible expenses.

The expenses for these activities should be budgeted in your CPF plan in line item (2) Fees for Professional Services.

**XX. ADJUSTMENT OF THE \$.4167 RATE CAP AT EACH REASSESSMENT:**

The maximum tax rate levied by each School Corporation must be adjusted each time a general reassessment of property takes effect. The maximum rate cap will be determined by the formula stated below, will be different for each school corporation, and will be in effect until the next general reassessment.

The formula is as follows: (IC 21-2-15-11):

**Step One:** Determine the maximum rate for the school corporation for the year preceding the year in which the general reassessment takes effect.

**Step Two:** Determine the actual percentage increase in the assessed value of the district from the year preceding the effective year of the reassessment and the year that the general reassessment is effective.

**Step Three:** Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment does not first become effective.

**Step Four:** Compute for each of the calendar years determined in Step Three, the actual percentage increase (rounded to the nearest one hundredth percent (0.01%) in assessed value from the preceding year.

**Step Five:** Divide the sum of the three percentage increases determined in Step Four by 3.

**Step Six:** Determine the greater of: zero (0) or Step Two minus Step Five.

**Step Seven:** To determine the new maximum CPF rate cap: determine the quotient of the Step One tax rate divided by the sum of one (1) plus the Step Six percentage increase.

## **XXI. QUESTIONS ABOUT THE CAPITAL PROJECTS FUND (CPF):**

1. Can salaries of School Corporation employees be charged to CPF for repairs of equipment or buildings?

Answer: Yes, in certain situations: The salaries of full and part time computer repair personnel may be made from the CPF. Additionally, the payment of salaries and benefits for skilled craft employees (such as plumbers, carpenters, or electricians) who perform construction, renovation, remodeling, repair, or maintenance on the facilities may be paid from the CPF if such payments exceed \$600,000 per year. Payments for repairs from the CPF must otherwise be made to outside contractors or be made from the General Fund.

2. What kind of vehicles can be purchased from CPF?

Answer: Only vehicles that are not subject to licensing under I.C. 9 can be purchased from the CPF. Yard tractors are an example of acceptable vehicles. Driver Education vehicles, school buses, and superintendent's autos are examples of vehicles which cannot be purchased from CPF.

3. Are reference materials for a new structure acceptable as equipment?

Answer: No, reference materials, such as encyclopedias, are not to be purchased from CPF.

4. Can a gymnasium be built from CPF?

Answer: Yes, if the facility is not primarily for interscholastic sports or extra-curricular activities. If the facility is for a sports-related purpose, the Corporation may elect to use its five percent sports facility appropriations for such a purpose.

5. Can fixed or collapsible gym seating be purchased from CPF?

Answer: Yes, this use is considered for school purposes.

6. Can outdoor stadium seating or lighting be purchased from CPF?

Answer: Yes, this could be supported through the sports facility portion of the plan.

7. Can band uniforms be purchased from CPF?

Answer: No, band uniforms do not meet the criteria for equipment.

8. Can the capital projects fund include feasibility studies and architect fees?

Answer: Yes, the planned expenditures should be included in planned Facility Needs. If the architect fees are to be reimbursed, typically from a holding corporation, the anticipated reimbursement would be included in the CPF plan Summary as other revenue.

9. If I spend less than planned in one portion of the CPF plan, can I transfer surplus appropriations to another area where I would like to spend more than planned?

Answer: Yes, in certain circumstances: A school corporation may transfer appropriations within a single location. However, the **movement of appropriations between locations is not allowed** unless you proceed with a non-emergency amendment. Remember, the non-emergency amendment cannot be used to add funds to the following classifications:

- Rental of Buildings and Equipment
- Purchase of Mobile or Fixed Equipment
- Utility services
- Maintenance of Equipment
- School Sports Facility
- Property or casualty insurance
- Other Staff Services
- Technology

10. If we discover new revenue in the capital projects fund, can the School Corporation have an additional appropriation to spend it?

Answer: Yes, additional revenue may be spent if you first obtain approval from the Department of Local Government Finance for both an Amendment to your plan and an Additional Appropriation. The DLGF is prohibited from approving appropriations that do not conform to an adopted CPF Plan. (See I.C. 21-2-15-9). Alternatively, the new revenue may be used to fund the next year's CPF Plan.

Should you decide to amend your current CPF plan and pursue an additional appropriation, remember that additional expenditures are only allowed within the following classifications:

- Land Acquisition and Development:
- Professional Services
- Education Specifications Development:
- Building Acquisition, Construction, and Improvement:
- Emergency allocation

11. Can I pay for architect fees to design a building that a holding corporation will purchase at a later date?

Answer: Yes, plan the expenditure under (2) Professional Services. Indicate receipt of the reimbursement from the holding corporation on the CPF Summary page as "other revenue".

12. We prefer to adopt a CPF plan in July; must we wait until budget adoption to adopt our plan?

Answer: No, you may adopt a CPF Plan anytime between January 1<sup>st</sup> and September 20<sup>th</sup>. If you advertise and adopt your CPF Plan apart from your budget, instruct the publisher to delete the notice portion of Budget Form 3 pertaining to the CPF Plan when you advertise the budget.

13. The high school principal wants to purchase additional computer software. Can the CPF be amended for this purpose?

Answer: No, non-emergency amendments are not permitted to increase the following categories:

- Rental of Buildings and Equipment:
- Purchase of Mobile or Fixed Equipment:
- Maintenance of Equipment

Computer software is purchased from above. However, you may transfer appropriations within a location if other projects at that location can be omitted or reduced to fund the software purchase.

14. My CPF plan is controversial. Some taxpayers disagree with the need for a new administrative office and we anticipate an objecting petition. Must we wait until the County Auditor publishes tax rates for next year, as set by the TAB, before we publish our Notice of Adoption?

Answer: No, the Notice of Adoption should be published as soon as possible after the adoption of the CPF Plan. The law stipulates that the last day to do this is twenty (20) days after the Auditor publishes tax rates, but the law includes nothing that would prohibit you from publishing earlier. We encourage school corporations to adopt their CPF Plans early in the year to allow ample time to consider controversial issues at the local level, and to allow sufficient time for a DLGF hearing and review of the objection should a petition be filed, without jeopardizing the ensuing year's tax rate. In all cases, school corporations should publish their Notice of Adoption immediately after adoption of the CPF Plan.

15. Our Corporation participates in a cooperative education program. The School Corporation that operates the program charges us for our share of building repair and equipment replacement cost. Can these expenses be paid from CPF?

Answer: Yes, a School Corporation may establish a CPF Plan for any facility that it uses. We require that the cooperative education building be listed as a separate location in your CPF Plan

with expenditures noted in the proper categories. Several participating corporations may have the same building in their CPF Plans, indicating their portion of the building and equipment cost. **It should be noted that the CPF cannot be used to pay operating expenses that would be attributed to the General Fund.**

16. Is the annual cost for telephone lines an allowable expense from the CPF?

Answer: No, telephone lines are not considered equipment so the rental charges for this item are not an allowable expense.

17. Is the annual cost for telecommunications lines, used only for advanced communication links such as fiber optic technology for video distance learning services for innovative educational technology programs an allowable expense from CPF?

Answer: Yes, in light of educational technology programs and the authority to expend CPF dollars for equipment and services to implement them, such expenditures would be allowable expenses only when incurred to fund the acquisition of each telecommunications service to participate in such specific programs. To include such lines in expenditures from CPF, a detailed list of dedicated telecommunication lines must be included with the annual CPF plan or amendment to the plan, which create such appropriations.

18. Do vehicles that the corporation provides to skilled craft employees count in the calculation of the \$600,000 qualification required for skilled craft employees, and as an allowable expense that could be charged to the CPF?

Answer: No, this expense may not be included in the calculation of the \$600,000 threshold nor may vehicles supplied to these employees be charged to the CPF.

19. When attempting to determine if an individual qualifies as a skilled craft employee, can we include partial salaries if an employee spends half time as a custodian and half-time as a carpenter?

Answer: No, with the changes to the definition of these employees, it would be unlikely that a custodian could meet the definition of a carpenter.

20. Can I accumulate funds for a sports facility?

Answer: No, the expenditures in a calendar year may not exceed five percent (5%) of the property tax revenues levied in the fund in that calendar year.

21. Do I amend to appropriate the allocation for future projects in a year earlier than planned?

Answer: No, an amendment is only necessary if the use of the allocation for future project is changed. Otherwise, an additional appropriation is the only requirement.

22. Do technology appropriations listed in the capital projects fund need to be apportioned by school?

Answer: No, the school corporation may appropriate technology on a corporation-wide basis.

23. Who do I call if I have CPF questions?

Answer: If you have questions concerning the Capital Projects Fund, please contact the Budget Division at (317) 232-3774.

## NOTICE OF ADOPTION OF A CPF AMENDMENT

Notice is hereby given to the taxpayers of \_\_\_\_\_ School Corporation of \_\_\_\_\_ County, Indiana that the Board of School Trustees has determined that the Capital Projects Fund Plan as adopted for 20\_\_\_\_ should be amended, following a public hearing on the matter held on \_\_\_\_\_. A brief description of the amendment is as follows: \_\_\_\_\_

The following is a general outline of the plan with the amendment:

CURRENT EXPENDITURES	20__	20__	20__
01) Land Acquisition and Development	_____	_____	_____
02) Professional Services	_____	_____	_____
03) Education Specifications Development	_____	_____	_____
04) Building Acquisition, Construction and Improvement	_____	_____	_____
05) Rental of Buildings, Grounds and Equipment	_____	_____	_____
06) Purchase of Mobile or Fixed Equipment	_____	_____	_____
07) Emergency Allocations	_____	_____	_____
08) Utility services	_____	XXXXX	XXXXX
09) Maintenance of Equipment	_____	_____	_____
10) School Sports Facility	_____	_____	_____
11) Property or casualty insurance	_____	XXXXX	XXXXX
12) Other Staff Services	_____	_____	_____
13) Technology	_____	_____	_____
 SUB-TOTAL CURRENT EXPENDITURES	 _____	 _____	 _____
14) Allocation for Future Projects	_____	_____	_____
15) Transfer to Repair & Replacement Fund	_____	_____	_____
16) Interest Transfer to General Fund	_____	_____	_____
 TOTAL EXPENDITURES, ALLOCATIONS, AND TRANSFERS	 _____	 _____	 _____
Estimated tax rate	_____	_____	_____
Based on an assessed valuation of _____	_____	_____	_____

Ten or more taxpayers in the school corporation who will be affected by the plan may file a petition with the County Auditor of \_\_\_\_\_ County, not later than ten (10) days after the publication of this notice, setting forth their objections to the plan. Upon filing a petition, the County Auditor shall immediately certify the same to the Department of Local Government Finance, which Department will fix a date and conduct a public hearing on the plan before issuing its approval or disapproval thereof.

(Show names and titles of Board Members)

Attest:

\_\_\_\_\_  
School Board of Trustees

**RESOLUTION TO ADOPT THE 20 \_\_\_\_ CAPITAL PROJECTS FUND PLAN**

This resolution is adopted by the Board of Trustees of \_\_\_\_\_  
(School Corporation)  
of \_\_\_\_\_, Indiana.  
(County)

Whereas, a School Capital Projects Fund has been established; and

Whereas, the Board of Trustees is required under IC 21-2-15-5 to adopt a plan with respect  
to the capital projects fund; and

Whereas, the Board of Trustees held a public hearing on the capital projects fund plan on the  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_.  
(location)

THEREFORE, BE IT RESOLVED by the Board of Trustees that the plan for  
\_\_\_\_\_, for the years 20\_\_ to 20\_\_, is hereby incorporated by reference  
(school name)  
into this resolution, and is adopted as the Board of Trustees' plan with respect to the School Capital  
Projects Fund.

BE IT FURTHER RESOLVED, that the Board of Trustees shall submit a certified copy of  
this resolution (including the adopted plan) to the Department of Local Government Finance as required by  
IC 21-2-15-9 for approval.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

AYE

NAY

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Attest: \_\_\_\_\_, Secretary of Board of Trustees

**NOTICE OF ADOPTION**



Notice is hereby given to the taxpayers of \_\_\_\_\_ School Corporation of \_\_\_\_\_ County, Indiana, that the Board of School Trustees has established a Capital Projects Fund and adopted a plan under I.C. 21-2-15. The following is a general outline of the proposed plan:

CURRENT EXPENDITURES	20__	20__	20__
1) Land Acquisition and Development	_____	_____	_____
2) Professional Services	_____	_____	_____
3) Education Specifications Development	_____	_____	_____
4) Building Acquisition, Construction & Improvement	_____	_____	_____
5) Rental of Buildings, Grounds and Equipment	_____	_____	_____
6) Purchase of Mobile or Fixed Equipment	_____	_____	_____
7) Emergency Allocations	_____	_____	_____
8) Utility services	_____	xxxxxx	xxxxxx
9) Maintenance of Equipment	_____	_____	_____
10) School Sports Facility	_____	_____	_____
11) Property or casualty insurance	_____	xxxxxx	xxxxxx
12) Other Staff Services	_____	_____	_____
13) Technology	_____	_____	_____
SUB-TOTAL CURRENT EXPENDITURES	_____	_____	_____
14) Allocation for Future Projects	_____	_____	_____
15) Transfer to Repair & Replacement Fund	_____	_____	_____
16) Interest Transfer to General Fund	_____	_____	_____
TOTAL EXPENDITURES, ALLOC, & TRANSFERS	_____	_____	_____
SOURCES AND ESTIMATES OR REVENUE			
1) Projected January 1 Cash Balance	_____	_____	_____
2) Less encumbrances carried forward from previous year	_____	_____	_____
3) Estimated cash balance available for plan (Line 1-Line 2)	_____	_____	_____
4) Property tax revenue	_____	_____	_____
5) Auto Excise, CVET and FIT Receipts	_____	_____	_____
6) Other revenue (interest income)	_____	_____	_____
TOTAL FUNDS AVAILABLE FOR PLAN (Add lines 3,4,5,6)	_____	_____	_____
Estimated property tax rate to fund plan	_____	_____	_____
Based upon an assessed valuation of:	_____	_____	_____

This notice includes allocations for the years 20\_\_, 20\_\_, and 20\_\_ for the following construction projects:

Building	Allocation 20__	Allocation 20__	Allocation 20__
_____	_____	_____	_____
_____	_____	_____	_____

Allocations as specified above will be duly subject to objection during the period stated in this Notice of Adoption.  
\*\*\*\*\*

TO BE PUBLISHED IN YEARS AFTER THE FIRST YEAR

This notice includes allocations for the years 20\_\_, 20\_\_, and 20\_\_ for the following construction projects, which have previously been subject to the taxpayer objections.

Building	Allocation 20__	Allocation 20__	Allocation 20__
_____	_____	_____	_____
_____	_____	_____	_____

Allocations as specified above are not eligible to be contested by the objection during the period stated in this Notice of Adoption.

Ten or more taxpayers in the school corporation who will be affected by the plan may file a petition with the County Auditor of \_\_\_\_\_ County, not later than ten (10) days after the publication of this notice, setting forth their objections to the plan. Upon filing of the petition, the County Auditor shall immediately certify the same to the Department of Local Government Finance, which Department will fix a date and conduct a public hearing on the plan before issuing its approval or disapproval thereof.

(Show names and titles of Board Members) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTICE OF HEARING ON AMENDMENT

Notice is hereby given to the taxpayers of \_\_\_\_\_ School  
Corporation of \_\_\_\_\_ County, Indiana that the Board of School Trustees will meet at  
\_\_\_\_\_ on \_\_\_\_\_ at  
(Place of Meeting) (Month, Date, Year)

\_\_\_\_\_ a.m./p.m. for the purposes of considering a proposed amendment to its  
20\_\_ Capital Projects Fund Plan. A brief description of the amendment is as follows:

\_\_\_\_\_  
\_\_\_\_\_

The following is a general outline of the plan with the proposed amendment:

CURRENT EXPENDITURES	20____	20____	20____
01) Land Acquisition and Development	_____	_____	_____
02) Professional Services	_____	_____	_____
03) Education Specifications Development	_____	_____	_____
04) Building Acquisition, Construction and Impr.	_____	_____	_____
05) Rental of Buildings, Grounds and Equipment	_____	_____	_____
06) Purchase of Mobile or Fixed Equipment	_____	_____	_____
07) Emergency Allocations	_____	_____	_____
08) Utility services	_____	XXXXXXXX	XXXXXXXX
09) Maintenance of Equipment	_____	_____	_____
10) School Sports Facility	_____	_____	_____
11) Property or casualty insurance	_____	XXXXXXXX	XXXXXXXX
12) Other Staff Services	_____	_____	_____
13) Technology	_____	_____	_____
SUB-TOTAL CURRENT EXPENDITURES	_____	_____	_____
14) Allocation for Future Projects	_____	_____	_____
15) Transfer to Repair & Replacement Fund	_____	_____	_____
16) Interest Transfer to General Fund	_____	_____	_____

TOTAL EXPENDITURES, ALLOCATIONS  
AND TRANSFERS

Estimated tax rate \_\_\_\_\_

Based on an assessed valuation of \_\_\_\_\_

Taxpayers are invited to attend the meeting for a more detailed explanation of the plan and to exercise their rights to be heard.

\_\_\_\_\_  
\_\_\_\_\_  
(Show names and titles of Board Members) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**NOTICE TO TAXPAYERS**

NOTICE TO THE TAXPAYERS OF \_\_\_\_\_

The proper officers of \_\_\_\_\_ at \_\_\_\_\_ (a.m./p.m.) on \_\_\_\_\_ School Corporation will meet at \_\_\_\_\_ to consider the establishment of a capital projects fund plan.

The following is a general outline of the proposed plan:	Account No.	20__	20__	20__
CURRENT EXPENDITURES				
1) Land Acquisition and Development	25320			
2) Professional Services	25330			
3) Education Specifications Development	25340			
4) Building Acquisition, Construction and Improvement	25350			
5) Rental of Buildings, Grounds, and Equipment	25360			
6) Purchase of Mobile or Fixed Equipment	25380			
7) Emergency Allocations	25390			
8) Utility Services	25420		XXXXXXXXXX	XXXXXXXXXX
9) Maintenance of Equipment	25440			
10) School Sports Facility	25355			
11) Property or casualty insurance	25470		XXXXXXXXXX	XXXXXXXXXX
12) Other Staff Services	26490			
13) Technology	26710			
SUB-TOTAL CURRENT EXPENDITURES				
14) Allocation for Future Projects				
15) Transfer to Repair & Replacement Fund	43100			
16) Interest Transfer to General Fund	43100			
TOTAL EXPEND, ALLOC & TRANSF				
SOURCES AND ESTIMATES OR REVENUE				
1) Projected January 1, year _____ Cash Balance				
2) Less encumbrances carried forward from previous year				
3) Estimated cash balance available for plan (Line 1 minus Line 2)				
4) Property tax revenue				
5) Auto excise, CVET and FIT receipts				
6) Other revenue (interest income)				
TOTAL FUNDS AVAILABLE FOR PLAN (Add lines 3,4,5,6)				
Estimated property tax rate to fund plan				
Based upon an assessed valuation of _____				

Taxpayers are invited to attend the meeting for a more detailed explanation of the plan and to be heard on the proposed plan.  
This notice includes future allocations for the years 20\_\_, 20\_\_, and 20\_\_ for the following construction projects:

Project - Location	Allocation 20__	Allocation 20__	Allocation 20__
_____	_____	_____	_____
_____	_____	_____	_____

Future Allocations as specified above will be subject to objections during the period stated in the Notice of Adoption to be published at a later date.

\*\*\*\*\*

TO BE PUBLISHED IN YEARS AFTER THE FIRST YEAR

This notice includes allocations for the years 20\_\_, 20\_\_ and 20\_\_ for the following construction projects, which have previously been subject to taxpayer objections.

Project- location	Allocation 20__	Allocation 20__	Allocation 20__
_____	_____	_____	_____
_____	_____	_____	_____

Future Allocations as specified above are not subject to objections during the period state in the Notice of Adoption to be published at a later date.

\*\*\*\*\*

Taxpayers are invited to attend the meeting for a detailed explanation of the plan and to exercise their rights to be heard on the proposal. If the proposal is adopted by resolution, such proposal will be submitted to the Department of Local Government Finance for approval.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Show names and titles of Board Members)

_____
_____
_____
_____
_____



